

STATE OF SOUTH CAROLINA
BEFORE THE PUBLIC SERVICE COMMISSION
DOCKET NO. 2018-42-E

In the Matter of:)	
)	
South Carolina Electric & Gas)	COMMENTS OF SOUTH
Company's 2018 Annual Update)	CAROLINA COASTAL
on Demand Side Management)	CONSERVATION LEAGUE AND
Programs and Petition)	THE SOUTHERN ALLIANCE FOR
to Update Rider)	CLEAN ENERGY
)	

The South Carolina Coastal Conservation League (“CCL”) and the Southern Alliance for Clean Energy (“SACE”) (collectively, “Intervenors”) respectfully submit the following comments on South Carolina Electric & Gas Company’s (“SCE&G” or “the Company”) 2018 Annual Update on Demand Side Management Programs and Petition to Update Rate Rider (“DSM Update”). Through the proposed rider, SCE&G seeks to recover Demand Side Management (“DSM”) and energy efficiency (“EE”) costs incurred from Dec. 1, 2016 to Nov. 30, 2017 (“PY7”), and projected costs covering Dec. 1, 2017 to Nov. 30, 2018 (“PY8”).

I. Introduction

As these comments will detail, SCE&G has failed to deliver the savings projected in 2013, when the Company obtained approval for its portfolio of DSM programs. In its 2013 filing, SCE&G projected steadily increasing energy savings.¹ Yet in its 2018 DSM Update, the Company reports a fourth straight year of decline in cost savings to customers (from \$38.9 million in PY3 to \$22.2 million in PY6)—a decline of over 40%.² The Company reports a slight increase between PY6 post-evaluation, measurement and verification (“EM&V”) and PY7 pre-

¹ See Docket No. 2013-208-E, SCE&G’s Application for Approval to Continue Demand Side Management Programs and Included Rate Rider, and for Approval of Revised Portfolio of Energy Efficiency Programs (outlining projected portfolio plan impacts); Docket No. 2013-208-E, Order No. 2013-826 at 5-11, 26-27 (approving programs).

² Docket No. 2018-42-E, SCE&G Response to First SACE-CCL Data Request, Supplemental Response 5.

EM&V energy savings. The Company also forecasts, for the purpose of setting DSM rider rates, that it will save slightly more energy over the next two years.³ However, that future projection is questionable because, in the most recent year, SCE&G achieved only 79% of its planned energy savings.⁴

The example of one of SCE&G's peer utilities, Duke Energy Carolinas ("DEC"), shows that the Company could do much more to help its customers save energy and money on their bills. Compared to SCE&G, DEC has much lower average residential customer bills, delivers much higher energy savings and outperforms its own DSM program goals. DEC reports that its 2016 programs saved over 800,000 MWh, with net cost savings for ratepayers of over \$500 million.⁵ These amounts are well above ten times the amount of the energy and cost that SCE&G saved in PY6, across a customer base that is approximately three times as large.

This gap in DSM performance between DEC and SCE&G is, on its face, too large to be explained by differences between the customer bases of the two utilities. Given the money-saving and other benefits of DSM and EE, there is no legitimate reason for the Commission to continue to sign off on SCE&G's meager performance each year. SCE&G's customers deserve at least the same high-quality DSM services and service cost reductions provided to other South Carolinians whose interests are entrusted to this Commission for protection.

At a time when many customers are struggling to pay their bills—partly due to the Company's multi-billion-dollar investment in two failed nuclear units—the need for SCE&G to ramp up its efficiency efforts is particularly urgent. One source of urgency is the need to reduce the overall utility service costs that will be passed on to ratepayers. The energy savings achieved through energy efficiency programs are approximately half to a third of the cost of generating the

³ Docket No. 2018-42-E, SCE&G Response to First SACE-CCL Data Request, Response 7.

⁴ Docket No. 2018-42-E, SCE&G Petition at Exhibit 2.

⁵ Docket No. 2018-78-E, Duke Energy Carolinas Petition at Exhibit 2.

same amount of electricity from traditional sources such as fossil fuels.⁶ SCE&G's programs have been cost-effective from their inception and continue to be cost-effective today.⁷ This means that SCE&G's energy efficiency programs are by definition lower-cost than other energy sources. Unless the Commission requires SCE&G to improve the performance of its EE and DSM portfolio, ratepayers will likely miss out on significant savings, especially considering SCE&G's proposed plan to build a large natural gas combined cycle unit in 2023 at ratepayer expense.

Of particular urgency is the plight of low income customers. Robust programs for low-income customers do not always meet tests for cost-effectiveness. But energy efficiency programs are especially beneficial to these customers since they spend such a high proportion of their income on energy costs. SCE&G currently administers just one limited program for these customers.⁸ Low-income customers deserve expanded and enhanced DSM and EE programs.

In these comments Intervenor update the Commission on SCE&G's continued underperformance (Section I); highlight the specific ways that the Company is underserving all its customers through its insufficient consideration of DSM and EE in resource planning (Section II) and underserving low-income customers in particular (Section III); and explain the ways that SCE&G's reporting is insufficient. Given that SCE&G will submit its next multi-year DSM/EE portfolio soon, to begin in PY10, and given the inadequate performance of the current portfolio over the last six years, Intervenor close with a series of requests that the Commission order the

⁶ ACEEE, Energy Efficiency as a Resource (last visited Dec. 28, 2017), <http://aceee.org/topics/energy-efficiency-resource>. See also ACEEE, Press Release, New Report Finds Energy Efficiency is America's Cheapest Energy Resource (Mar. 25, 2014), <http://aceee.org/press/2014/03/new-report-finds-energy-efficiency-a>. Energy efficiency is the least-cost energy resource at an average cost of 2.8 cents per kWh. ACEEE, The Best Value for America's Energy Dollar: A National Review of the Cost of Utility Energy Efficiency Programs at iii (Mar. 2014), <http://aceee.org/sites/default/files/publications/researchreports/u1402.pdf>.

⁷ S.C. Code Ann. §58-37-20 provides that an incentive must be provided to an electric utility investing in a DSM program that is "cost-effective, environmentally acceptable and reduce[s] energy consumption on demand."

⁸ U.S. Energy Information Administration, *Electricity prices are highest in Hawaii but expenditures are highest in South Carolina* (Feb. 13, 2018), <https://www.eia.gov/todayinenergy/detail.php?id=34932>.

Company to fulfill ahead of the next application to continue DSM programs and approve a revised portfolio, and to turn the performance of SCE&G's DSM/EE portfolio around in the meantime.

II. SCE&G's Energy Efficiency Portfolio Continues to Underperform Compared to Projections and Peer Utilities.

Despite being in the national spotlight for the V.C. Summer debacle and its significant impact on SCE&G's customers' bills,⁹ the utility has not taken action to resuscitate its lagging efficiency programs. SCE&G's portfolio performance has been in decline for nearly five years. This decline has put SCE&G on track to be one of the lowest ranked southeastern utilities for energy efficiency programs across several metrics,¹⁰ including for the Company's energy savings as a percent of prior-year retail sales.

⁹ Brown, Andrew, "SCE&G already moving to charge its electric customers for nuclear project's failure" (Aug 1, 2017), https://www.postandcourier.com/business/sce-g-already-moving-to-charge-its-electric-customers-for/article_802634de-76af-11e7-8b4e-c34f9ddf1d7b.html

¹⁰ Relf, Grace, et. al., ACEEE, 2017 Utility Energy Efficiency Scorecard at 17, Table 6 (2017), available at <http://aceee.org/research-report/u1707>. Of the 51 largest electric utilities, SCE&G is ranked 39th for overall program performance, programs, targets, business model, and evaluation. It is ranked even lower for savings as a percentage of retail sales, spending as a percentage of revenue, programs for emerging areas, number of pilot programs, data access, and savings targets.

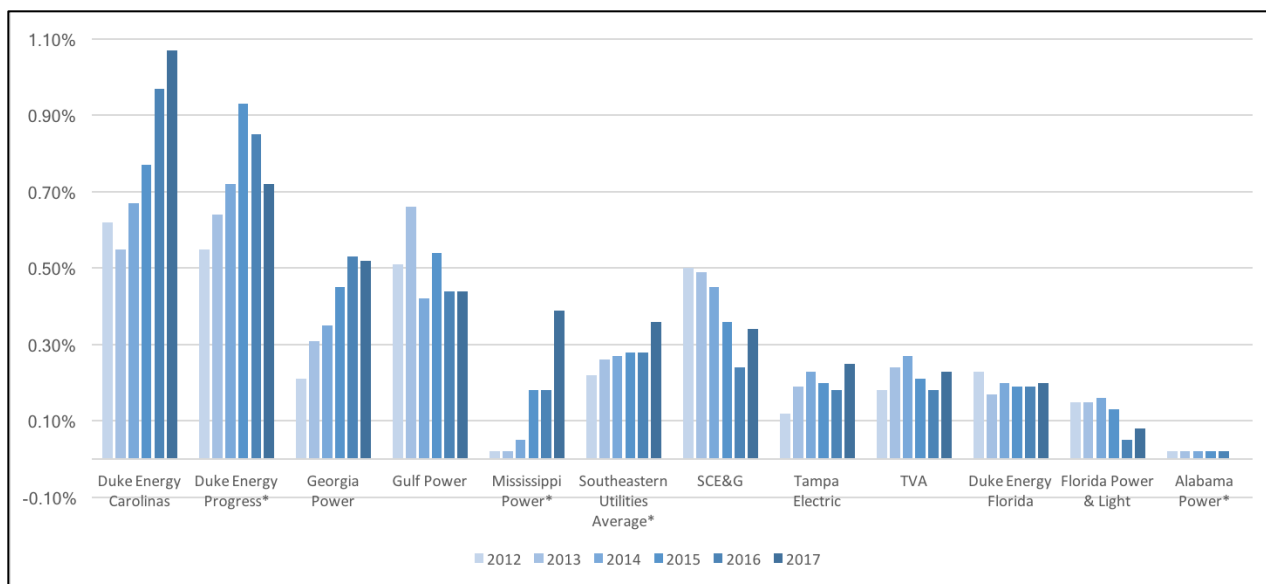


Figure 1: Energy savings as a percentage of retail sales achieved by major southeastern utilities¹¹

As shown in Figure 1, above, the performance of SCE&G's DSM/EE portfolio lags compared to leading utilities in the Southeast region. SCE&G's performance stands in contrast with that of regional leaders Entergy Arkansas, Duke Energy Progress, and Duke Energy Carolinas. In 2014, Entergy Arkansas became the first utility in the region to achieve energy savings representing roughly 1.0% of prior-year retail sales,¹² and continues to lead the region with 1.2% savings in 2016.¹³ Entergy is trailed closely by two utilities that operate in South Carolina—Duke Energy Progress and Duke Energy Carolinas, which achieved, respectively, 0.85% and 0.97% of prior year sales in 2016. In contrast to SCE&G, the Duke utilities operating in South Carolina have demonstrated a general upward trajectory in achieved savings. The success of Duke-operated energy efficiency programs in South Carolina shows that SCE&G's programs can achieve much higher savings. With proper oversight, SCE&G could likely achieve

¹¹ Asterisks indicate utilities where results for 2017 are still pending, and utility forecasted results are used instead.

¹² Entergy Arkansas savings represent net savings as a percent of prior-year sales, calculated based on savings data from Entergy Arkansas, 2014 Program Year Evaluation, Arkansas Public Service Commission Docket No. 07-085-TF, and sales data from the U.S. Energy Information Administration, EIA-861.

¹³ Docket No. 07-085-TF, In the Matter of the Application of Entergy Arkansas, Inc. For Approval of Energy Efficiency Programs and Energy Efficiency Cost Rate Rider, May 1, 2017, <http://www.apscservices.info/EEInfo/EEReports/Entergy%202016.pdf> at 20.

similar savings to the Duke utilities, as the Duke utilities' energy efficiency programs share many things in common with SCE&G's: the utilities offer similar categories of programs, are subject to the same regulations in South Carolina, and deal with comparable energy costs and residential housing stock.

The persistent declines in energy savings from the Company's DSM/EE portfolio are particularly troubling since they significantly diverge from the projected savings that were the basis for this Commission's approval of SCE&G's programs in the first place.¹⁴ Although SCE&G continues to submit rider requests that forecast increased savings across the Company's DSM/EE portfolio,¹⁵ actual program performance has historically shown a decline. The annual incremental energy savings from SCE&G's DSM portfolio have declined over the past five years (Program Years 2, 3, 4, 5, and 6). While the Company reports in its application that savings will increase slightly this year (PY7), savings remain far below PY2 savings and the Company's projected savings in PY1-6. The divergence between the approved program projections (PY1-6) and the actual performance is shown in Figure 2 below, along with projections the Company generated last year.

¹⁴ Docket No. 2013-208-E, Order No. 2013-826 at 5, Nov. 26, 2013.

¹⁵ Docket No. 2018-42-E, SCE&G Response to First SACE-CCL Data Request, Response 7.

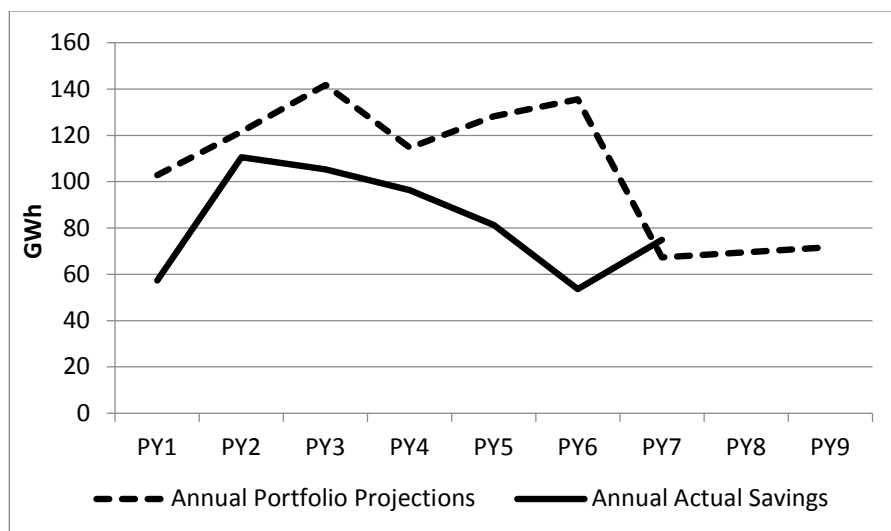


Figure 2: Original portfolio savings projections compared to actual savings¹⁶

Figure 3, below, shows SCE&G's projected versus actual cumulative DSM/EE portfolio savings for Program Years 1-7.

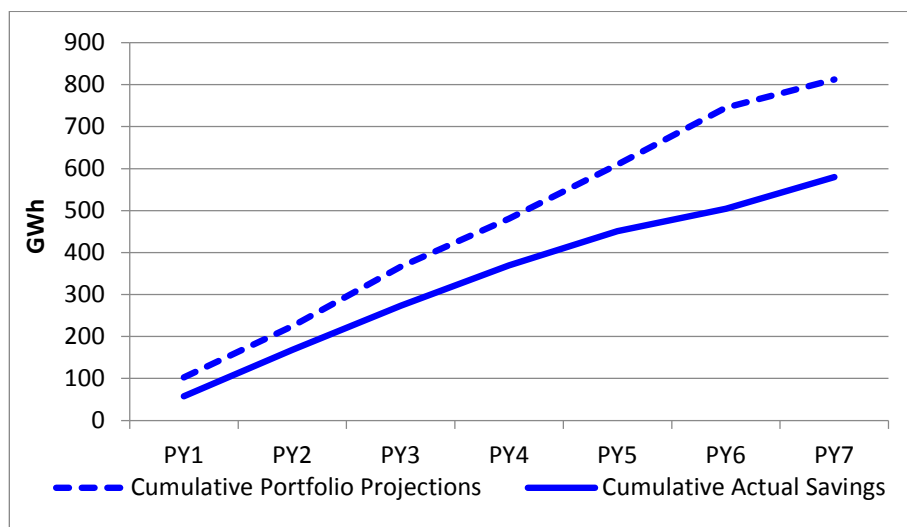


Figure 3: Cumulative portfolio savings projections compared to cumulative actual savings¹⁷

The divergence between the actual and projected cumulative savings in Figure 3 makes clear that chronic underperformance adds up to significant lost savings. The performance decline and

¹⁶ PY1-PY6 actual savings from Company EM&V reports; pre-EM&V PY7 actual savings from Docket No. 2018-42-E, Company Application Exhibit 1; PY1-PY3 portfolio projections from Docket No. 2009-261-E, Pickles Testimony at 25; PY4-PY6 portfolio projections from Docket No. 2013-208-E, Company Application Exhibit B-2 at 37; PY7-PY8 portfolio projections from Docket No. 2017-35-E, SCE&G Supplemental Response to CCL/SACE First Data Request No. 4.

¹⁷ *Id.*

disparity between projected and actual savings also further expose the poor performance of SCE&G's portfolio as compared with the Duke utilities', as shown in Figure 1, above.

III. SCE&G Should Utilize DSM and EE More Effectively in Resource Planning.

Former SCE&G CEO Kevin Marsh testified during the 2016 V.C. Summer cost increase proceeding that "energy efficiency will play an increasingly important role in SCE&G's generation mix going forward."¹⁸ Unfortunately, neither the Company's current filing, nor its discovery responses reflect this "increasingly important role" to which Mr. Marsh under oath.

For instance, in discovery, Intervenors requested any "analyses" or "evidence" that SCE&G had considered expanded DSM programs to meet any energy or capacity needs resulting from abandonment of the nuclear plant. SCE&G replied that "SCE&G has no information responsive to this request at this time."¹⁹ SCE&G has, however, filed with this Commission an Integrated Resource Plan ("2018 IRP") that describes its plan to build new gas-fired generation to meet the capacity need left by the abandonment of V.C. Summer. At perhaps the most critical turning point in the history of the Company, its responses to discovery indicate that SCE&G has made its future plans without looking at the role that DSM programs could play in deferring or reducing new ratepayer investment in generation and transmission.²⁰ SCE&G also highlights of its shift toward winter-peaking in its 2018 IRP. When asked, however, to describe its plans to evaluate DSM to address winter peak demand, SCE&G responded: "SCE&G has no further information responsive to this request at the time."²¹ By failing to investigate the role DSM can play in avoiding the cost of generation to replace the failed nuclear plants or to address winter

¹⁸ Docket No. 2016-223-E, Direct Testimony of Kevin Marsh at 27.

¹⁹ First Data Request to South Carolina Electric and Gas Company, answer 10.a.

²⁰ ACEEE, Press Release, New Report Finds Energy Efficiency is America's Cheapest Energy Resource (Mar. 25, 2014), <http://aceee.org/press/2014/03/new-report-finds-energy-efficiency-a>.

²¹ Docket No. 2018-42-E, SCE&G Response to First SACE-CCL Data Request, Response 8.a.

peak demand, and by reducing DSM program performance to a minimal level, SCE&G is forcing ratepayers to pay for more expensive options.

For the last eight years, Intervenorors have urged SCE&G to take DSM and EE seriously as a low-cost resource option, and have provided detailed comments on the Company's programs with the aim of helping the Company find ways to improve the performance of its portfolio and. As Appendix A details, however, Intervenorors' suggestions appear to have fallen on deaf ears. SCE&G continues to ignore this Commission's directive that it "consider implementation of the recommendations of the environmental intervenors if cost-effective," while gutting key programs.²² For this reason, as detailed below, Intervenorors suggest that the Commission take action to require that SCE&G meet a DSM and EE savings target set at a percentage of retail sales per year. A minimum threshold of savings would at least provide a floor so that customers can be sure that the Company exercises better management over its programs.

Despite the clear need for a new direction by SCE&G, these comments still offer incremental suggestions for specific programs that can be implemented in time to benefit ratepayers during late PY7 and PY8. In particular, SCE&G should expand its program offerings that help to reduce peak demand in winter. SCE&G argues in its 2018 IRP and 2018 fuel cost docket submissions that its resource plan is driven by a need for more winter capacity to handle peaks, largely due to cold spells that cause customers to utilize heat pumps with heat strips.²³ In light of the shift to planning to meet winter peak demand, SCE&G should immediately take action to invest in its Heating and Cooling program, reinstate a whole home efficiency program, and offer additional measures for water heaters.

²² Docket No. 2017-35-E, Directive, Apr. 27, 2017; Docket No. 2016-40-E, Directive, Apr. 20, 2016; Docket No. 2015-45-E, Directive, Apr. 22, 2015; *see also* Docket No. 2014-44-E, Directive, Apr. 23, 2014 ("the Company must continue to consider the recommendations of these intervenors in this Docket as it considers further modifications to its programs in the future.")

²³ *See* Docket No. 2018-2-E, Rebuttal Testimony of Joseph Lynch at 7 and 9.

SCE&G's current DSM/EE portfolio also suffers from major gaps that leave significant energy savings untapped. As noted in Intervenor's 2016 comments, SCE&G has eliminated or reduced funding for key residential programs, leaving customers with no offering that integrates a full home energy audit with the necessary air-sealing, insulation, ductwork, and HVAC services. Specifically, SCE&G abandoned the national standard Home Performance with Energy Star program on the basis that it did not become cost-effective within the first three years. Getting such programs off the ground takes several years, in part to develop the workforce and contractor base. SCE&G should re-initiate its effort to develop an effective whole home energy efficiency program that offers its customers a pathway to substantial bill savings.

SCE&G is also starving some of its programs that could yield substantial energy savings with adequate funding. For example, SCE&G operates a "Heating and Cooling Program" that accomplishes some of the goals of a broader home energy program (more efficient heating and cooling, tighter ductwork). This program was cost-effective during PY6, saving \$3.47 in utility system costs for each \$1 spent by SCE&G.²⁴ SCE&G, however, reached only 3,928 of its 605,717 customers with more efficient heat pumps and central air conditioning systems—about ½ of 1%.²⁵ During a year when SCANA reportedly paid shareholders \$120 million in dividends related to the failed nuclear project,²⁶ it invested less than \$2 million in a program that helps ratepayers reduce their bills through more efficient heating and cooling.²⁷ Immediately putting more resources into this highly cost-effective program would help customers with their largest home energy use, help the utility system manage peak usage, and help develop the workforce

²⁴ Docket No. 2018-42-E, SCE&G Response to First SACE-CCL Data Request, Supplemental Response 5.

²⁵ Docket No. 2018-42-E, SCE&G Response to First SACE-CCL Data Request, Supplemental Response 6, SCE&G Residential Heating and Cooling, PY6 Program Guidance Report at 2.

²⁶ Moore, Thad, *SCANA shareholders received \$529 million in dividends from failed nuclear plant*, Post & Courier (Mar. 22, 2018), https://www.postandcourier.com/business/scana-shareholders-received-million-in-dividends-from-failed-nuclear-project/article_5065a406-2e00-11e8-8b1b-2f36dcede523.html.

²⁷ Docket No. 2018-42-E, SCE&G Response to First SACE-CCL Data Request, Supplemental Response 5.

needed to deliver high-quality home energy services next year and over the long run. To increase participation, SCE&G could take advantage of a potential synergy between the Heating and Cooling Program and the Home Energy Check-up program, which employs qualified (BPI) personnel who could deliver full energy audits, rather than the walk-through audits currently performed.

Opportunities also exist for SCE&G to improve its non-residential programs. For example, SCE&G's EnergyWise for Your Business program in PY6 saved \$5.39 in utility system costs for each utility dollar spent, saving all ratepayers about \$15 million. While it represents a bright spot within SCE&G's portfolio, independent evaluators noted that "the program was 20% shy of its energy savings goal for PY 6" and recommended seven strategies for improvement.²⁸ The review suggests that SCE&G is only scratching the surface of savings available from its business customers: the vast majority of funded projects were improved lighting, with only 5 food service equipment projects and 17 air conditioners.²⁹ Again, in the context of billions of dollars of abandoned plant costs, over a hundred million in shareholder dividends, and a plan to meet future load growth by building another power plant without looking at DSM alternatives, there is no reason not to dramatically expand a program that produces five dollars in savings for every dollar spent.

IV. SCE&G Should Improve and Expand Its Low-Income EE and DSM Programs.

Utility bill control is an especially critical benefit of energy efficiency. In fact, this Commission approved SCE&G's current suite of EE and DSM programs in 2013 after finding

²⁸ Docket No. 2018-42-E, SCE&G Response to First SACE-CCL Data Request, Supplemental Response 6, SCE&G EnergyWise for Your Business Program, PY6 Guidance Report, April 27 at 4-5.

²⁹ *Id.* at 13.

that the programs were in the public interest because they would “afford customers an opportunity to manage their electricity consumption.”³⁰

SCE&G’s indifference towards energy efficiency and the bill management it provides has especially significant implications for the low-income residents who have suffered most from the rate increases associated with the now-abandoned V.C. Summer nuclear units. While cost-effective energy efficiency programs provide value to both participating and non-participating utility ratepayers, the bill savings that efficiency programs provide are especially impactful for low-income residents. Low-income households tend to live in less efficient housing and pay more in utility bills per square foot than the average household, with an average cost of \$1.23 per square foot for low-income households compared to \$0.98 for non-low-income households.³¹ In addition, low-income households experience higher than average “energy burdens,” meaning that they pay a higher percentage of their income on energy bills.³² The energy burdens borne by South Carolinians, expressed as the percent of income spent on energy costs, separated by income level (as a percent of area median income or “AMI”) is summarized in Figure 4, below.

³⁰ Docket No. 2013-208-E, Order No. 2013-826 at 10, Nov. 26, 2013.

³¹ Energy Efficiency for All, Lifting the High Energy Burden in America’s Largest Cities: How Energy Efficiency can Improve Low Income and Underserved Communities at 11-12 (Apr. 2016), http://energyefficiencyforall.org/sites/default/files/Lifting%20the%20High%20Energy%20Burden_0.pdf. Low-income households are also more likely to have older and less efficient appliances. *Id.* at 12.

³² *Id.* at 3-4. The Southeast faces some of the highest energy burdens in the nation. Half of the low-income households in the southeastern cities surveyed by ACEEE had an energy burden greater than 8.4%, and a quarter had an energy burden greater than 14.8%. The national average is 3.5%. ACEEE, Fact Sheet, How energy efficiency can help low-income households in South Carolina (2017), <https://aceee.org/sites/default/files/pdf/fact-sheet/ses-southcarolina-100917.pdf>.

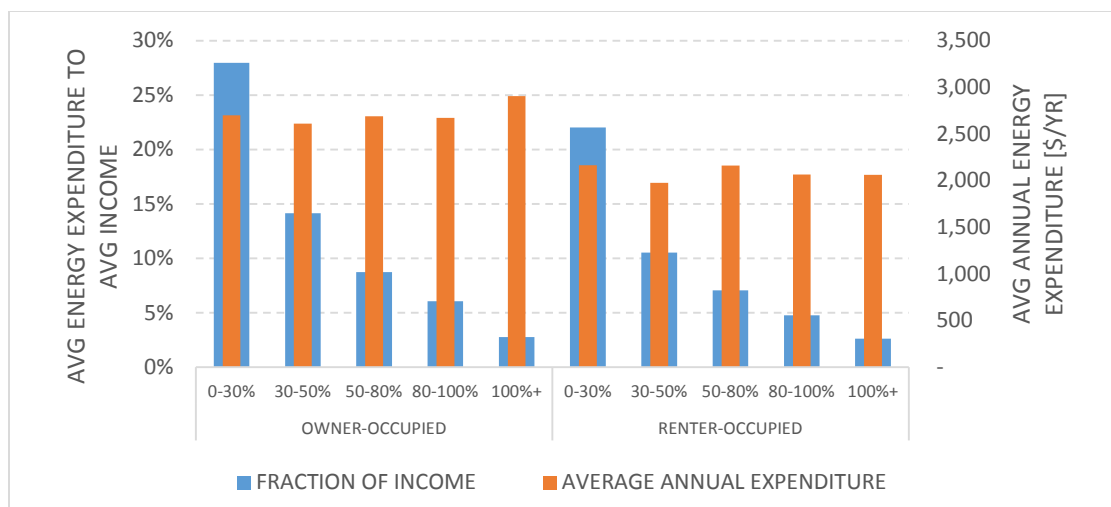


Figure 4: South Carolina Average Energy Burden³³

The threshold for energy burden to be defined as ‘unaffordable’ is typically >6% percent of annual income. Considering that many federal housing programs use <80% AMI as thresholds for low-income, Figure 4 demonstrates that energy costs for low-income residents in South Carolina are unaffordable. Average energy expenditures are relatively flat and do not vary dramatically across different income levels, meaning that low-income energy burdens can be up to ten times higher than customers at higher income levels. Customers at these low income levels rarely have access to the same methods of bill control as their higher income counterparts, and efficiency programs required by the Commission *are often the only opportunity* such customers have to reduce energy expenditures and the corresponding energy burden.

By offering inadequate energy efficiency programs targeted to low-income households, SCE&G is putting its most vulnerable customers at risk. Unaffordable housing costs can lead to dramatic reductions in quality of life, such as forgoing necessities like food and medicine in order to pay for energy costs, leaving the home at unhealthy temperatures during extreme weather, or having utility service disconnected altogether. As shown in Table 1, below, survey

³³ Better Buildings Initiative’s Clean Energy for Low Income Communities Accelerator (CELICA) developed the Low-Income Energy Affordability Data (LEAD) Tool to assist partners with understanding their LMI community characteristics. <https://openei.org/datasets/dataset/celica-data>

responses from low-income residents indicate that energy insecurity is a serious quality of life issue.

Annual Income Level	Any household energy insecurity	Reducing or forgoing food or medicine	Leaving home at unhealthy temperature	Disconnect or delivery stop notice	Unable to use heating equipment	Unable to use cooling equipment
Less than \$20,000	50.7%	39.6%	20.4%	23.6%	11.1%	9.8%
\$20,000 to \$39,999	39.7%	29.0%	13.6%	19.9%	7.0%	8.1%
\$40,000 to \$59,999	34.4%	23.1%	9.7%	15.1%	5.4%	5.4%
\$60,000 to \$79,999	26.0%	14.9%	7.8%	12.3%	3.2%	5.2%
\$80,000 to \$99,999	18.6%	8.2%	5.2%	7.2%	1.0%	2.1%
\$100,000 to \$119,999	12.3%	6.2%	3.7%	4.9%	1.2%	1.2%
\$120,000 to \$139,999	13.0%	7.4%	3.7%	5.6%	N/A	N/A
\$140,000 or more	8.0%	2.7%	2.7%	2.7%	0.9%	1.8%

Table 1: Household Energy Insecurity Survey Responses 2015-2016³⁴

For eight years Intervenors have made a number of suggestions (detailed in Appendix A) intended to improve SCE&G's programs for low-income customers, but, as far as Intervenors can gather, the Company has chosen to either ignore or dismiss them after a cursory review.³⁵ In particular, Intervenors have noted that SCE&G's sole low-income program, the Neighborhood Energy Efficiency Program ("NEEP"), includes only a few measures.³⁶ While Intervenors are encouraged by the increase in program participation in PY7, Intervenors note that measures that are generally cost-effective and are often provided by low-income EE programs, such as caulking, weather-stripping, insulation, aerators, and low-flow showerheads, are still not offered by the door-to-door contractors who administer the program.³⁷ Customers are missing out on much larger savings for what would be very little marginal cost to the Company since the contractor has already made the trip to the location.

³⁴ Household Energy Insecurity 2015-2016. Source: U.S. Energy Information Administration (EIA) Residential Energy, Consumption Survey (RECS) Released October 2017

³⁵ The Company also agreed as part of the Settlement Agreement to "review additional DSM Energy Efficiency Programs that are designed specifically for low-income participants." Docket No. 2013-208-E, Order No. 2013-826 at 10, Nov. 26, 2013 (quoting Settlement Agreement ¶ 2).

³⁶ Contractors go door-to-door providing advice and low-cost EE measures that include CFLs, insulating wraps for pipes and water heaters, filter installation, smart power strips, water heater adjustments, and winterization kits.

³⁷ See, Docket No. 2017-35-E, Comments of CCL and SACE, Synapse Energy Economics report serving as the basis of Witness Alice Napoleon's testimony in Docket No. 2016-223-E.

Intervenors' repeated suggestions that SCE&G fill in other gaps in its low-income efficiency offerings have also been ignored. Those suggestions include: providing customers access to capital with a Pay As You Save or on-bill financing program; building partnerships with community groups to leverage funding sources and reach more customers; developing programs targeted at new and existing manufactured homes; expanding on locally administered Weatherization Assistance Programs; and adding other programs that specifically serve low-income customers, such as a public housing authority program, multifamily program, or a program similar to the Duke Energy Ohio Low Income Pilot.

This unresponsiveness to Intervenors' input, combined with SCE&G's track record on low-income program spending and savings noted in Table 2 below, indicates that the Company does not consider addressing low-income needs to be a priority. The Commission should therefore require SCE&G to strengthen these programs as soon as possible to provide its low-income customers with meaningful bill relief.

	Percentage of total EE spending on low-income programs³⁸	Spending / customer on low-income EE programs³⁹	Savings from low-income EE programs / customer⁴⁰
SCE&G	3.97%	\$0.84	2.11 kWh
Nationwide	8.93% (avg)	\$2.58 (median)	5.29 kWh (avg)

Table 2: 2015 Low-Income Programs Spending and Savings

V. SCE&G Should Increase the Transparency of its DSM Program Reporting.

Certain basic information is necessary each year to evaluate the performance of DSM programs. This information includes, but is not limited to, net and gross amounts of energy and capacity planned and actually saved by the programs, budgeted and actual spending amounts,

³⁸ ACEEE, 2017 Utility Energy Efficiency Scorecard at 39-40 (June 2017), <http://aceee.org/sites/default/files/publications/researchreports/u1707.pdf>.

³⁹ ACEEE, Fact Sheet, How energy efficiency can help low-income households in South Carolina (2017), <https://aceee.org/sites/default/files/pdf/fact-sheet/ses-southcarolina-100917.pdf>.

⁴⁰ ACEEE, 2017 Utility Energy Efficiency Scorecard at 39-40 (June 2017), <http://aceee.org/sites/default/files/publications/researchreports/u1707.pdf>.

program savings as a percentage of retail sales, the percentage of revenues devoted to programs, and program and portfolio cost-benefit calculations. This information should be provided within the initial Company filing, for individual programs and for the portfolio as a whole, and should include summary historical data for the period of the approved program portfolio. SCE&G's filings provide only some of this information—often in the form of individual program data without portfolio totals. Every year, Intervenors must request the rest of this data and piece together basic information, such as whether the portfolio as a whole is meeting its stated goals over time for net energy saved, cost effectiveness, and net benefits produced.

Ratepayers pay for DSM programs and for the review of those programs. It should be the Commission's practice to enable the most efficient, transparent review, not only of the tariff adjustment sought by the utility, but also of the actual performance of the programs funded by the tariff. Clear, complete, standardized reporting will appropriately focus on program achievement, rather than merely the upward or downward adjustment of a tariff.

There is no need to reinvent the wheel or expend judicial resources in an extensive proceeding on this point. In 2015, the U.S. Department of Energy's Office of Electricity Delivery and Energy Reliability funded an effort at the Lawrence Berkeley National Laboratory to develop a standard DSM program reporting tool (the "LBNL EE Reporting Tool") for use by states and utility companies.⁴¹ It is available for free as an Excel spreadsheet, and is based on best-practice reporting forms already in use. Technical assistance is also available to get started or to customize it. If SCE&G were to input its DSM program data into this standard format, it would clarify and speed review of program performance and help the Commission compare performance across utility territories. Intervenors therefore petition this Commission to require

⁴¹ LBNL Presentation on Reporting Tool, https://emp.lbl.gov/sites/all/files/lbnl-1003879_ppt.pdf.

SCE&G, starting with the next Annual DSM Update, to include its program data within its initial filing using this reporting tool.

Finally, SCE&G's evaluation, measurement, and verification ("EM&V") process also deserves further scrutiny to ensure that the Company's programs are delivering cost-effective energy savings. The PY6 EM&V results of the Home Energy Report program are of particular concern. The Home Energy Report program is one of SCE&G's largest programs, accounting for almost a quarter of SCE&G's total EE savings in 2016, pre-EMV. However, SCE&G reported EM&V results for PY6 that reflect a change in the billing analysis used to verify savings: the annual average savings per customer was reduced by 49% and total savings declined from roughly 13,000 MWh pre-EM&V to 6,500 MWh post-EM&V. This reduction does not reflect lowered participation rates or a change in program design, but an unexplained change in the savings verification process. The PY6 EM&V report simply states: "PY6 billing analysis found fewer savings per participant annually compared to billing analysis results in PY3."⁴²

When the EM&V process reveals that savings were much lower or higher than previously thought, SCE&G should be required to explain how the evaluation methodology changed and to justify the aberration.

REQUESTS & RECOMMENDATIONS

Intervenors have made numerous program recommendations each year since 2013.

Appendix A compiles these past recommendations and any action taken by Company in

⁴² Docket No. 2018-42-E, SCE&G Response to First SACE-CCL Data Request, Supplemental Response 1, SCE&G EM&V Portfolio PY6 at 4. The PY6 EM&V report includes references to criteria not included in the billing analysis for the Home Energy Report program in previous years. The data preparation and cleaning methodology for the billing analysis used to verify results states that customers were removed based on a number of criteria, including "SCANA Net Energy Metering (NEM) customers." This appears to be new criteria since past EM&V reports do not contain any reference to this group of customers or their removal during the billing analysis. Yet, in its response to Intervenors' data requests, SCE&G stated that the third party evaluator of SCE&G's programs did not identify any differences from previous evaluations and did not summarize these differences. Docket No. 2018-42-E, SCE&G Response to First SACE-CCL Data Request, Supplemental Response 1, PY6 Home Energy Report Program Evaluation Results June 2017.

response. The majority of Intervenor's recommendations have gone unaddressed. This suggests that the Company does not value or seriously consider stakeholder input, despite the fact that many of these recommendations (especially those emphasized in the Appendix) are still relevant and could substantially improve the performance of the DSM portfolio. As past recommendations specific to programs have gone unaddressed or referred to the working group with little resulting action from the Company, the Intervenor's this year request that the Commission take more specific action, as detailed in the requests below.

Inadequate performance negatively affecting the cost of service, disparities in the quality of service among utility territories, failure to reach promised goals, and failure to undertake prudent analysis are among the reasons that a Public Service Commission may issue directives to regulated utilities. This Commission has the power, upon petition, to "ascertain and fix just and reasonable standards, classifications, practices, or service to be furnished . . . by any or all electrical utilities." S.C. Code § 58-27-140. The DSM programs approved by this Commission constitute a "service to be furnished" by utilities in this state, and are subject to its directives. Intervenor's petition this Commission to fix, by its order in this docket, just and reasonable standards, practices, and services guiding the delivery of SCE&G's DSM programs.

Request #1: The Commission should direct the Company to meet energy saving targets or to issue an RFP to meet DSM goals.

Intervenor's are aware that SCE&G will file its next multi-year portfolio of DSM programs next year and that changes in program structure and implementation take time. Given the inadequate performance over the six-year course of implementing the current portfolio, it is necessary to "get ahead of the curve" and take action now to steer future performance in a better direction. Performance targets are the most straightforward, common, proven method to ensure that SCE&G's EE programs meet a minimum, acceptable level of performance. Accordingly,

Intervenors request that this Commission order SCE&G to design its next multi-year program portfolio to meet a target of annual cost-effective net energy savings that rise incrementally by 0.25% over each of the next five years to at least 1.5% of retail sales.⁴³ In addition, the Commission should establish a threshold of minimum savings that SCE&G must achieve in order to recover lost revenues and/or receive an incentive. This threshold could be set as an absolute percentage (e.g., 0.50% of retail sales) or as a percentage of the overall performance target (e.g., 80% of target performance). Establishing a minimum threshold for these elements would ensure that ratepayers receive the benefits of the performance represented when the Commission approves supportive regulations and the EE programs themselves. Through the savings target and an accompanying savings threshold for recovery of lost revenues and/or utility incentives, the Commission can make clear to SCE&G that certain expectations must be met to ensure programs will be brought to scale for the benefit of ratepayers, job creation, and economic growth.

Intervenors also recommend that the Commission require that a certain percentage of portfolio savings come from low-income programs or by requiring SCE&G to achieve total portfolio energy savings from low-income residential programs that are at least in proportion to the percentage of its residential class that is comprised of low-income customers.

As an alternative to requiring the Company to design its own portfolio to meet a savings target, the Commission could require SCE&G to solicit competitive bids from vendors that offer DSM and EE programs. Under this recommendation, the Commission should require the Company to submit by September 15, 2017, for review by ORS and Intervenors and for approval by the Commission, a request for proposals (“RFP”) that invites DSM program providers to

⁴³ Such targets are commonly defined as a percentage of retail kWh sales. The targets implicitly provide protection for ratepayers in exchange for program cost recovery, lost fixed-cost recovery, and utility incentive rewards.

submit proposals to achieve this level of savings, and includes a performance-based incentive for program implementers to exceed targets. Such proposals are one way for utilities to tap the competitive marketplace for cost-effective DSM and EE services, and have been utilized to meet incremental resource needs.⁴⁴

Through targets, the Commission would ensure that SCE&G ratepayers benefit from consideration of a robust portfolio of cost-saving programs and that they benefit to a similar degree as Duke customers and other customers around the nation.

Request #2: The Commission should take immediate action to direct the Company to explicitly address the merits of the program recommendations made by Intervenors.

With respect to the remainder of PY7 and PY8, Intervenors urge the Commission to order SCE&G to revisit its budgets, staffing, and prioritization of existing programs, through a program amendment filed later this year. This would represent a reasonable step toward higher annual performance and should include the following minimum features:

- By PY8, and provide a plan to expand the Heating and Cooling program to include home energy audits, air sealing, and insulation, and to further develop a whole home energy program, and review and increase the Heating and Cooling budget as needed while maintaining cost-effectiveness;
- By PY8, implement new or expanded elements for the EnergyWise for Your Business program that address the major end uses of energy for business customers beyond lighting, and review and increase the program budget as needed while maintaining cost-effectiveness;
- Implement all program improvements that recommended by Opinion Dynamics for these two programs;

⁴⁴ See ACEEE Powerpoint https://aceee.org/sites/default/files/pdf/conferences/eer/2017/Henderson_Session5C_EER17_Nov_1.pdf (citing examples in New York, California, Texas, and in wholesale capacity markets); Pilon, Matt, *CT greenlights major renewable projects*, Hartford Business (Sept. 14, 2017), <http://www.hartfordbusiness.com/article/20170914/NEWS01/170919950/ct-greenlights-major-renewable-projects>. An RFP can also be utilized for aspects of a fully-functioning efficiency program, such as financing. Walton, Robert, *Arkansas launches RFP for efficiency program contractor*, Utility Dive (Aug. 30, 2017), <https://www.utilitydive.com/news/arkansas-launches-rfp-for-efficiency-program-contractor/503859/>

- Address all emphasized recommendations in Appendix A that are not covered in the three previous items, along with an analysis of the cost-effectiveness of each program recommendation, and—for each recommendation that is found to be cost-effective but that the Company elects not to implement—an explanation as to why the Company will not implement the recommendation. This submission would finally address this Commission’s directive that SCE&G “consider implementation of the recommendations of the environmental intervenors if cost-effective.”⁴⁵

Such an order is fully within the Commission’s powers. As the Commission emphasized in its 2013 approval of SCE&G’s portfolio of programs, it “retains the ability to review the terms and conditions of the DSM rate rider mechanism and associated matters at any time [during the six-year review period]. It is important for programs to be designed and implemented in a way that allows all ratepayers the opportunity to participate in the potential savings offered by the Company’s programs.”⁴⁶ If the Commission is going to award lost revenue recovery and performance incentives to the Company for every kilowatt hour saved in PY7 and PY8, it should similarly demand on behalf of ratepayers excellent program performance and active management to meet the goals promised.

Request #3: The Commission should direct the Company to utilize a standard reporting tool and provide detailed explanations of any EM&V methodology changes or when pre- and post-EM&V results significantly diverge.

Intervenors request this Commission to order SCE&G to adopt the free standard LBNL EE Reporting Tool starting with the next Annual DSM Update. The reporting tool simply puts already-collected, basic program data into an easily-accessible format, and any difficulties the

⁴⁵ Docket No. 2017-35-E, Directive, Apr. 27, 2017; Docket No. 2016-40-E, Directive, Apr. 20, 2016; Docket No. 2015-45-E, Directive, Apr. 22, 2015; *see also* Docket No. 2014-44-E, Directive, Apr. 23, 2014 (“the Company must continue to consider the recommendations of these intervenors in this Docket as it considers further modifications to its programs in the future.”)

⁴⁶ Docket No. 2013-208-E, Order No. 2013-826, Nov. 26, 2013, at p. 25. The “terms and conditions” the Commission refers to are set out in the Settlement Agreement that SCE&G, ORS, and some other parties entered into. The Settlement Agreement also acknowledges that the Commission may take action during the review period: “During the review [period of six years following the date of the order approving the Settlement], the DSM Rate Rider mechanism and the programs shall remain in effect until further order of the Commission revising the terms of the DSM Rate Rider mechanism or programs or taking such other action as the Commission may deem appropriate.” At p. 5, para. 5, Docket No. 2013-208-E, Oct. 21, 2013.

Company experiences in completing the standard form could be resolved through consultation with ORS and Intervenors.

Intervenors also request that this Commission order SCE&G to adequately explain major differences in pre- and post-EM&V program savings and to flag methodology changes. For example, the PY6 EM&V report gives no explanation for the 50% savings decline in the Home Energy Report program pre- and post-EM&V, except that “PY6 billing analysis found fewer savings per participant annually compared to billing analysis results in PY3.” At minimum, the Company should explain the factors that contributed to finding fewer savings per participant. The Company should also note and justify any differing or new criteria in evaluation methods.

In conclusion, implementation of the above recommendations will help to turn SCE&G’s programs around and to ensure that SCE&G’s next multi-year portfolio of DSM and EE programs is set up to ensure performance goals are met for the benefit of customers.

Respectfully submitted this 2nd day of April, 2018.

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CERTIFICATE OF SERVICE

I hereby certify that the parties listed below have been served via Electronic Mail with a copy of the Comments of the South Carolina Coastal Conservation League and Southern Alliance for Clean Energy.

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This 2nd day of April, 2018.

s/ Rachel Pruzin

Appendix A: Recommendations Intervenors have made in SCE&G DSM Rider Dockets since 2013

Docket	Recommendation Type	Recommendation (Recommendation for SCE&G unless otherwise noted)	Result
2014-44-E	Customer Information / Online Energy Audit Tool	Build on termination of eWNA mechanism by helping customers calculate how their bills would be impacted by participation other DSM programs. Encourage more customers to utilize the Online Energy Audit tool. Integrate the tool into program marketing practices.	Not addressed*
2013-208-E	eWNA Mechanism	Evaluate eWNA mechanism and consider terminating it because it discourages conservation and makes bills confusing and unpredictable.	SCE&G discontinued the eWNA mechanism in December 2013 upon a joint petition by the Company and ORS. Docket 2012-218-E, Order 2013-900.
2016-40-E	Explain Program Change	Address 39% reduction in savings of Heating & Cooling and Water Heating Program by revisiting decision to eliminate incentives for 14 SEER HVAC equipment and instead offer duct blaster testing on complete duct replacements, improve customer enrollment, and increase contractor outreach.	Incentives for 14 SEER equipment eliminated at request of ORS and Commission. SCE&G is reducing the 15 SEER rebate and increasing the 16 SEER rebate.
2014-44-E	Improve Performance	Explain what occurred since the program plans were developed and approved in 2013-208-E that would result in an 8% reduction in projected energy efficiency impacts, or 29 GWh, over the PY4-PY6 period.	Not addressed*
2015-45-E; 2016-40-E	Improve Performance	Improve performance of ongoing DSM programs - in PY4 every program except for the Home Energy Reports program is expected to fall short of its previously reported savings forecast; in PY5 savings are expected to decline even further, to 0.33% of 2013 retail sales.	Not addressed*
<i>2016-40-E</i>	<i>Improve Performance</i>	<i>Increase spending on residential and non-residential programs and reverse dramatic shift of spending away from residential programs to focus on very low-cost non-residential measures.</i>	<i>Not addressed*</i>
<i>2016-40-E</i>	<i>Improve Performance</i>	<i>Develop goal of achieving all cost-effective energy savings for all customer classes.</i>	<i>Not addressed*</i>
2014-44-E	Lighting Program EM&V	Use EM&V to ascertain the savings that programs add over and above those resulting from federal standards. Use EM&V to help lighting program evolve as new standards are rolled out.	Not addressed*
2014-44-E	Lighting Program Modification	Remedy leakage in the Energy Star Lighting Program through Company-provided in-store rebates or another system of in-store customer verification.	Not addressed; point-of-purchase Energy Star Lighting Program eliminated

2014-44-E	Lighting Program Modification	Take account of spillover in the Energy Star Lighting Program net-to-gross calculation to ensure accuracy and avoid overestimating the impacts of leakage.	Not addressed; point-of-purchase Energy Star Lighting Program eliminated
2015-45-E; 2016-40-E; 2017-35-E	Lighting Program Modification	<i>The ENERGY STAR lighting program achieved only 69% of projected savings, and will achieve only 10% of original forecasted program savings in PY5. Shift to a diversified portfolio of programs, reexamine the shift away from a retail point-of-purchase design to an online-store design, modify previous upstream lighting incentive model to reduce leakage, and explain the dramatic drop in program savings by filing a rate rider petition supplement.</i>	<i>Not addressed; point-of-purchase Energy Star Lighting Program eliminated</i>
2013-208-E	Marketing	Assess impact that increased marketing could have on program participation and energy savings. Present evaluation of marketing to the Commission in the next annual DSM/EE rider docket.	“SCE&G has carefully reviewed and considered the recommendations by SACE/CCL for increasing customer participation and offering additional DSM programs. Today SCE&G is satisfied with its level of customer participation in its DSM programs and has no plans to offer any additional DSM programs to its customers.” SCE&G 2014 Petition at p. 16.
2016-40-E	Marketing	Enhance participation through smart advertising strategies.	Not addressed*
2016-40-E	Marketing	Increase advertising for C&I programs.	Not addressed*
2017-35-E	Marketing and Program Modification	<i>For the NEEP and residential audit program, perform an actual audit and leverage all customer engagement opportunities to encourage implementation of all cost-effective savings possible, not just low-cost minor measures.</i>	<i>Not addressed*</i>
2017-35-E	Marketing	Enhance marketing and advertising budget.	Not addressed*
2017-35-E	Offer Financing	<i>Offer financing in support of the existing commercial and industrial offerings.</i>	<i>Not addressed*</i>
2016-40-E	Offer Rebates and Incentives	<i>Reinstate rebates for home audits, air sealing, attic insulation, and programmable thermostats following elimination of Home Performance with Energy STAR.</i>	<i>Not addressed*</i>
2017-35-E	Offer Rebates and Incentives	Offer high-efficiency appliance incentives.	Not addressed*
2017-35-E	Offer Rebates and Incentives	Offer combined heat and power energy efficiency incentives for commercial and industrial customers.	Not addressed*
2013-208-E	On-Bill Financing	Evaluate on-bill financing programs offered by other investor-owned utilities like New Jersey’s Public Service Electric and Gas Company.	SCE&G claims that this financing is primarily offered by cooperatives and municipal utilities, despite more than 20 IOUs offering such programs
2015-45-E	On-Bill Financing	Evaluate on-bill financing programs for residential and C&I customers.	Not addressed*

2016-40-E	On-Bill Financing	Develop tariff-based on-bill financing program.	Not addressed*
2013-208-E	Opt-Outs	Customers who opt out of SCE&G's DSM/EE Rate Rider should report (i) the specific energy efficiency measures that the customer has implemented or plans to implement, and (ii) the kW and kWh savings that the measures achieved during the previous year, and the savings that the measures are expected to achieve going forward.	Pursuant to Commission Order No. 2013-826, SCE&G replaced its C&I Prescriptive and Custom program at the beginning of PY4 with its redesigned EnergyWise for Your Business program; SCE&G launched its new Small Business Direct Install program in late PY4. In 2015 SCE&G conducted survey of opt out customers
2013-208-E	Opt-Outs	File copies of the opt-out certifications with annual DSM/EE rider filing.	*Not addressed
2013-208-E	Opt-Outs	Collaborate with Advisory Group to establish a minimum threshold savings level that customers must achieve to be eligible to opt out, and report conclusions to the Commission no later than November 1, 2014.	"SCE&G has carefully reviewed and considered the recommendations by SACE/CCL for increasing customer participation and offering additional DSM programs. Today SCE&G is satisfied with its level of customer participation in its DSM programs and has no plans to offer any additional DSM programs to its customers." SCE&G 2014 Petition at p. 16.
2013-208-E; 2014-44-E; 2015-45-E; 2016-40-E	Opt-Outs	Given high industrial opt-out rate relative to other Southeast utilities, develop opt-out reduction strategies, such as allowing customers to "self-direct" their energy efficiency rider fees into internal energy efficiency investments.	"SCE&G has carefully reviewed and considered the recommendations by SACE/CCL for increasing customer participation and offering additional DSM programs. Today SCE&G is satisfied with its level of customer participation in its DSM programs and has no plans to offer any additional DSM programs to its customers." SCE&G 2014 Petition at p. 16.
2014-44-E	Opt-Outs	Nonresidential programs achieved only 29% of forecast savings. Improve these programs and reconsider the commercial and industrial customer opt-out provision.	Not addressed*
2016-40-E; 2017-35-E	Opt-Outs	Increase awareness among C&I customers given that 25% of opt-out customers were unaware that they had opted out.	Not addressed*
2016-40-E	Opt-Outs	Enhance procedures to ensure that opted-out customers report specific installed energy efficiency measures.	Not addressed*
2016-40-E; 2017-35-E	Opt-Outs / C&I Program	Encourage opted out customers to opt back in through access to project financing, higher measure incentives, shortening the minimum required opt-in period, or some other means.	Not addressed*
2016-40-E; 2017-35-E	Opt-Outs / C&I Program	Diversify C&I programs to be less dependent on lighting retrofits.	Not addressed*

2017-35-E	Opt-Outs / C&I Program	<i>Offer upstream HVAC, LED troffers (if not currently included in offerings), CHP, and strategic energy management programs for commercial and industrial customers.</i>	Not addressed*
2013-208-E; 2014-44-E; 2015-45-E; 2017-35-E	Program Addition; Low-Income Program	<i>Develop program targeted at new and existing manufactured homes, similar to programs offered by the Tennessee Valley Authority and to Idaho Power's Rebate Advantage program.</i>	<i>"SCE&G has carefully reviewed and considered the recommendations by SACE/CCL for increasing customer participation and offering additional DSM programs. Today SCE&G is satisfied with its level of customer participation in its DSM programs and has no plans to offer any additional DSM programs to its customers." SCE&G 2014 Petition at p. 16.</i>
2013-208-E	Program Addition	Implement cost-effective programs for Energy Star appliances like freezers, refrigerators, and clothes washers, such as the programs offered by Georgia Power, Tennessee Valley Authority, and Duke Energy Carolinas.	"SCE&G has carefully reviewed and considered the recommendations by SACE/CCL for increasing customer participation and offering additional DSM programs. Today SCE&G is satisfied with its level of customer participation in its DSM programs and has no plans to offer any additional DSM programs to its customers." SCE&G 2014 Petition at p. 16.
2013-208-E	Program Addition	Add cost-effective solar water heater program - such as the program Duke Progress is piloting - to enhance the Home Energy Check-Up, Home Performance with Energy Star, and Small Business Direct Install programs, or as alternatives to these programs.	"SCE&G has carefully reviewed and considered the recommendations by SACE/CCL for increasing customer participation and offering additional DSM programs. Today SCE&G is satisfied with its level of customer participation in its DSM programs and has no plans to offer any additional DSM programs to its customers." SCE&G 2014 Petition at p. 16.
2016-40-E	Program Addition	Develop new programs to fill the purposes of the Energy Information Displays and ENERGY STAR New Homes programs.	Not addressed*
2017-35-E	Program Addition	<i>Restore whole-home audit and retrofit program (Home Performance with Energy Star Program that was discontinued, or implement other similar programs, such as the Help My House! Electric Cooperative pilot program, Weatherization Plus pilot, Entergy Arkansas, Inc. residential Home Energy Solutions program).</i>	Not addressed*
2017-35-E	Program Addition	Expand Weatherization Plus pilot into a full program with appropriate quality assurance, including contractor certification, modeling software specifications, and independent auditing.	Not addressed*

2017-35-E	Program Addition	Restore efficient new-home construction program (ENERGY STAR New Homes program that was cancelled).	Not addressed*
2013-208-E	Program Addition; Low-Income Program	Add programs that specifically serve low- and fixed-income customers, such as the Efficiency Vermont's Weatherization Assistance Program, a public housing authority program, and Duke Energy Ohio's pilot.	Claim that Duke Energy Ohio low-income program model is too expensive, despite Duke finding that program is cost-effective
2015-45-E	Program Addition; Low-Income Program	Implement a Single-Family Residential Low-Income Add-On Program and a Multifamily Low-Income Add-On Program to expand the offerings of locally administered Weatherization Assistance Programs by: (1) expanding customer eligibility to 80% of the state median household income; (3) providing direct installation of all cost-effective energy efficiency measures; (4) funding statewide implementation teams to alleviate waiting periods; and, (5) offering all measures to renters with streamlined landlord approval. Consider the best practices from existing programs, including Efficiency Vermont's Weatherization Assistance Add-On Program and Major Appliance Rehabilitation Services, and National Grid's Low-Income Retrofit Program and Low Income Multi Family Energy Retrofits Program.	Not addressed*
2014-44-E; 2016-40-E	Program Addition; Low-Income Program	Expand low-income programs, for example, through: a workforce development program to install efficiency measures and spread awareness; partnerships with community agencies to expand on the Weatherization Assistance Program and promote efficiency programs generally; an "upstream" program targeted at manufactured homes.	Not addressed*
2016-40-E	Program Modification	Secure contract with new vendor for Appliance Recycling program to resolve cost-effectiveness issues.	Not addressed*
2015-45-E; 2016-40-E	Program Modification Process	Implement system for greater Commission oversight and stakeholder review of program changes, for example, using a similar system to the "Program Flexibility Guidelines" developed by Duke Energy Progress.	Not addressed*
2016-40-E	Program Modification; Low- Income Program	Increase size of Neighborhood Energy Efficiency program to reach more low-income customers.	Not addressed*
2014-44-E; 2015-45-E	Program Partnerships	Start program partnerships with local governments or community organizations to improve participation.	Not addressed*

2013-208-E	Rate Rider Mechanism Review and Forecast	Commission should review Rate Rider Mechanism and programs in three years because SCE&G has not proposed to provide forecasts of its energy savings in program years 7 through 9, and because there is a discrepancy in savings projections in the DSM and IRP proceedings.	Not addressed*
2015-45-E; 2016-40-E	Reporting	Report detailed projected and actual cost components for each DSM program. Work with the Advisory Group to develop cost reporting procedures using Florida Power & Light tables as a model.	Not addressed*
2016-40-E	Reporting	Track cross-participation in multiple programs.	Not addressed*
2016-40-E	Reporting; Program Addition	File report detailing compliance with directive to “consider implementation of the recommendations of the environmental intervenors if cost-effective.”	Not addressed*
2014-44-E	Residential Program Modification	Improve Energy Information Display and Home Performance with Energy Star (14% and 13% of forecast savings). Address problems with the Energy Information Display program, including limited availability of the device that SCE&G provided in 2012 and an incomplete EM&V analysis. Address problems with the Home Performance with Energy Star program, including inadequate EM&V analysis and cost-effectiveness test failures. Address cost-effectiveness issues with the Home Performance Program by offering only the top five measures typically implemented. Work with independent evaluator to modify programs, roll them into existing programs, or eliminate them.	Programs cancelled without remedial efforts
2013-208-E	Shared Savings Incentive Change	Don’t amortize program costs going forward.	Not addressed*
2013-208-E	Shared Savings Incentive Change	Commission should use a tiered incentive structure, where SCE&G would receive a higher percentage of the net benefits of its DSM/EE programs if it helps customers achieve a higher level of savings.	Not addressed*
2013-208-E	Shared Savings Incentive Change	Commission should approve incentive levels that ramp up to 11.5% of net benefits of the Utility Cost Test retained by SCE&G, once savings as a percentage of previous year retail sales increase to more than 1%.	Not addressed*
2017-35-E	<i>Shared Savings Incentive Change</i>	<i>Modify DSM/EE compensation mechanism to establish a binding performance target for annual energy savings and a savings threshold for recovery of lost revenues and/or award for shareholder incentives.</i>	<i>Not addressed*</i>

2016-40-E	Update Methodology	<i>Update pre-EM&V energy savings tracking methodology that considers leakage, free-ridership, and spillover given very high or very low realization rates of some programs.</i>	<i>Not addressed*</i>
2016-40-E	Update Methodology	Incorporate non-energy benefits into cost-effectiveness evaluation.	Not addressed*
2017-35-E	Update Methodology	<i>Use the Total Resource Cost test to evaluate future whole-home audit and retrofit program.</i>	<i>Not addressed*</i>
2015-45-E	Update Projections	Update PY6 performance projections in supplemental filing to inform the Commission of any further expected deviation from the approved PY4-PY6 portfolio plan.	Not addressed*

* Some recommendations may have been discussed in the Advisory Group or mentioned in comments, but Intervenors are not aware of the recommendations being not implemented or seriously addressed.